

**SCOTTSDALE AIRPORT ADVISORY COMMISSION
15000 N. AIRPORT DRIVE, SCOTTSDALE, AZ 85260**

**MARCH 12, 2003
REGULAR MEETING**

MINUTES

PRESENT: Donald Maxwell, Chairman
John Knudsen
Bill Mack
David Vaughan, Vice Chairman
Philip Vickers
Tom Guilfooy

ABSENT: Leonard Tinnan

STAFF: Scott Gray, Aviation Director
Gary Mascaro, Asst. Aviation Director
Matt Johnson, Airport Specialist
Myron Kuklok, Risk Management Dir.
Marc Baskel, Operations Specialist
Paul Norman, Assistant City Attorney
Chris Read, Asst. Aviation Director
Kevin Shirer, Airport Planning & Environmental
Suzanne Welch, Risk Management

OTHER(S): Nick Luongo, Ironwood Village Resident; Tommy Walker, General Manager, Scottsdale Air Center; Chris Colin, Swift Aviation Services, Inc.; Jan D'Atri and John Jeffries, D'Atri's Restaurant; Lan-Vi Than, Blue Fig, LLC.; Don Owens, Gilbert Lopez, International Fighter Pilots Museum and Foundation; John Frevola, Corporate Jets, Inc.

CALL TO ORDER

Chairman Maxwell called the meeting to order at 6:00 p.m.

ROLL CALL

A formal roll call confirmed members present as stated above.

APPROVAL OF MINUTES

- A. Item 1 - Action
Approval of the Minutes of the February 13, 2003 Meeting.

Commissioner Mack made a motion to approve the minutes of the February 13, 2003 meeting. Commissioner Knudsen seconded the motion and the minutes were approved by a vote of 6-0.

PUBLIC COMMENT

At this point, Chairman Maxwell stated that "Citizen Voice" comment cards were available at the meeting and anyone wishing to address the Commission on an agenda item or during the Public Comment time. Chairman Maxwell stated comments are limited to three (3) minutes, providing speakers to make comments to the Commission, however, there is no dialogue between the Commission on the Public Comment items.

Before the Public Comments were taken, Chairman Maxwell stated he wished to congratulate Commissioner Mack for being honored by being elected into the Scottsdale Hall of Fame this year.

Chairman Maxwell stated there was one card submitted for Public Comment from Mr. Nick Luongo.

Mr. Luongo said he would like the public record to show that people living near Scottsdale Airport, and home sellers, or realtors are not the inherent cause of the current environment of low flying, noisy jets over Ironwood Village. Mr. Luongo referred to his sellers disclosure, dated March 21, 1999, Section 4, Environmental Information, Line 117: "Is the property subject to any current composed noises, such as airports, freeways, or rail-lines?" He stated the answer was "no". He went on to detail Line 119..."Is the property located within the territory in the vicinity of a military airport as defined by Arizona Law?" He stated the answer was "no". Mr. Luongo said the answer was valid for three years and he did not file his first noise complaint until March of 2002, which was coincident with approval of the Northwest 2000. He asked if he was "dumb" for buying his house and stated based on the seller's disclosure and for three years had no complaints, the answer is no. Mr. Luongo stated was the seller or realtor at fault, and said the answer is no. Mr. Luongo asked who is at fault? He stated this City, this Airport, and the FAA are at fault for allowing flight patterns to change, for encouraging more corporate jets to fly here, for total dependency on FAA subsidies, for encouraging business growth and profits at the expense of taxpaying residents, and last, but not least, the existence of noisy, old aircraft. Mr. Luongo asked the Commission to see the truth and to have the courage to start the process of real problem solving as it relates to Scottsdale Airport.

AERONAUTICAL BUSINESS PERMIT(S)

A. Item 2 - Action

Ratification of Airport Aeronautical Business Permit for Scottsdale Air Center Operations, LLC. to provide Fixed Base Operator (FBO) Services at Scottsdale Airport.

Mr. Matt Johnson advised the Commission that Scottsdale Air Center Operations, LLC. has provided the appropriate documentation as required in the Airport Minimum Operating Standards. Approval of this Airport Aeronautical Business Permit will also meet the requirements as outlined in the Lease Agreement with the City, and the insurance requirements have been met. Mr. Johnson added that their anticipated fees should generate approximately \$327,000 in annual revenue to the Aviation Enterprise Fund. Mr. Johnson stated that Mr. Tommy Walker, General Manager, Scottsdale Air Center Operations, LLC. was present to answer any questions from the Commission.

Vice Chairman Vaughan made a motion to approve ratification of the Airport Aeronautical Business Permit for Scottsdale Air Center Operations, LLC. Commissioner Mack seconded the motion and it passed by a vote of 6-0.

B. Item 3 - Action

Ratification of Airport Aeronautical Business Permit for Swift Aviation Services, Inc. to provide Aircraft Mobile Maintenance and Repair Services and Specialized Aircraft Repair Services, Avionics, at Scottsdale Airport.

Mr. Johnson advised the Commission of a change in the wording for this item, and that was to strike the word, "Mobile." He stated it should read, "Aircraft Maintenance and Repair Services and Specialized Aircraft Repair Services, Avionics." The change was so noted by the Commission. Mr. Johnson stated that Swift Aviation Services, Inc. has provided the appropriate documentation as required in the Airport Minimum Operating Standards, and the insurance requirements have been met. Mr. Johnson added that this action is not anticipated to result in additional tiedown area demand, and Swift Aviation Services, Inc. is under direct contract with Scottsdale Air Center Operations, LLC. to conduct aircraft maintenance and repair services, and specialized repair services at Scottsdale Airport as outlined in Section 6-5 of the Airport Operating Minimum Operating Standards. Mr. Johnson advised that Mr. Chris Colin, director, Swift Aviation Services, Inc. was present to answer any questions from the Commission.

Commissioner Guilfoxy inquired if the revenue is reflected in the Scottsdale Air Center cover the revenue from the maintenance. Mr. Colin replied that was correct.

Commissioner Vickers inquired if the business was limited to the Scottsdale Air Center operation or will it be providing service to anyone else? Mr. Colin replied, yes. They would be providing service to anyone who needs it but they will be based at Scottsdale Air Center.

Commissioner Mack made a motion to approve ratification of the Airport Aeronautical Business Permit for Swift Aviation Services, Inc. Vice Chairman Vaughan seconded the motion and it passed by a vote of 6-0.

C. Item 4 - Information

Aeronautical Business Permit Cancellations or Revocations.

Mr. Johnson advised the Commission the current tenant list shows any changes, additions, cancellations and revocations. Commissioner Knudsen inquired what the difference was between a cancellation and a revocation. Mr. Johnson responded that a cancellation is when staff is notified that a tenant wishes to cancel their permit. A revocation is when there is a non-payment of fees and the tenant has made no attempt to contact staff. Reasons for immediate revocation may be lack of insurance, or health and safety issues. Mr. Gary Mascaro added the revocation process is also outlined in our City Code.

GENERAL BUSINESS

A. Item 5 - Action

Recommend Resolution No. 6260 approving assignment of the tenants interest under existing lease for the airport restaurant and related office space and the amendment of the lease for office space.

Mr. Mascaro advised the Commission what they would be requesting to do would be consenting to the assignment of the lease for D'Atri's at Scottsdale Restaurant to Blue Fig, LLC, for the duration of the original term, which is approximately seven (7) years. He added they also have three (3) offices located at the Aviation Business Center, and they requested to reduce the office space to two (2) offices because they only need two for administrative purposes. A representative from Blue Fig, Ms. Lan-Vi Tran was present at the meeting.

Ms. Lan-Vi addressed the Commission stating she will be changing some of the menu items, although she will keep some of D'Atri's most popular items. She added they would also like to implement a discount for the employees and to initiate a happy hour and a Sunday champagne brunch. Ms. Jan D'Atri was also present at the meeting to answer any questions.

Commissioner Guilfooy inquired about the experience of Blue Fig. Ms. Lan-Vi replied she had eight to nine years of restaurant experience and has been a manager at restaurants in New York, in addition to managerial experience in other areas.

Chairman Maxwell wished the record to show that Jan D'Atri, while she had been proprietor, has done an excellent job which has benefited the airport, and the bar has been raised. Mr. Mascaro stated from a staff's point of view, they could not have asked for a better tenant and they worked well with them, and appreciated all their efforts.

Commissioner Vickers inquired if there were any personal guarantees under the original lease agreement. Commissioner noted they are dealing with one corporation assigning to another corporation and he wondered if in the original lease agreement whether there was any individual personal guaranty of the original lease agreement that is being assigned.

Chairman Maxwell said he asked Ms. D'Atri this question, and she responded, no.

Commissioner Vickers inquired if he was correct in understanding that any rents and arrears will be paid at the time of assignment. Mr. Mascaro responded that was correct and it is part of the consent.

Commissioner Vickers inquired if there was a security deposit under the original lease. Mr. Mascaro responded there was a security deposit and it does transfer over to the new entity.

Commissioner Mack made a motion to forward to the City Council Resolution No. 6260 approving assignment of the lease to the restaurant. Vice Chairman Vaughan seconded the motion and it passed by a vote of 6-0.

B. Item 6 - Action

Recommend Resolution No. 6259 approving amendment and assignment related to the proposed aircraft museum project to be located on property at the southeast corner of Scottsdale Road and Thunderbird Road.

Mr. Mascaro said in the original lease there was a termination clause that stated if by the second anniversary of the lease agreement, which will be April 9th, the Arizona Aerospace Foundation felt they were not going to be able to provide the development, as requested as part of the lease agreement, that they had a termination right and could have exited the lease agreement. Mr. Mascaro stated Mr. Don Owens and Mr. Lopez, representing the museum parties, were present at the meeting to provide further explanation.

Mr. Owens provided some background on the museum project and the relationship between the International Fighter Pilots Museum and Foundation, and the Arizona Aerospace Foundation, which is in Tucson and operates the Pima Air and Space Museum. He also provided some information on their community involvement and fund raising efforts, and the aircraft they are acquiring for the museum.

Mr. Mascaro noted the performance measures that have been added to the lease amendment. He noted they would also be taking over the entire leasehold, however the parties' rights and obligations related to the original agreement remain unchanged.

Commissioner Knudsen made a motion to forward to City Council a recommendation to adopt Resolution No. 6259 approving amendment and assignment related to the proposed aircraft museum project to be located on property at the southeast corner of Scottsdale Road and Thunderbird Road. Commissioner Mack seconded the motion and it passed by a vote of 6-0.

OLD BUSINESS

A. Item 7 - Action

Consider proposed modifications to the Airport Minimum Operating Standards – Section 7-10, mobile aircraft washing service.

Mr. Kevin Shirer stated that this item is brought forward to the Commission with revisions they requested at last month's meeting. Mr. Shirer added they clarified 1) the name of the individual company conducting the washing services, and 2) the list of the individual companies contracting for the washing services.

Vice Chairman Vaughan made a motion to approve the proposed modification to the Airport Minimum Operating Standards – Section 7-10, mobile aircraft washing service. Commissioner Mack seconded the motion and it passed by a vote of 6-0.

B. Item 8 - Action

Consider proposed modifications to the Airport Minimum Operating Standards – Section 6-4, aircraft management services, and Section 6-5, charter brokerage services.

Mr. Mascaro stated this item is brought forward tonight from last month's meeting for action, and regards the removal of brokerage from management for clarification purposes, and for consistency between the Airport and the Airport Minimum Operating Standards. Mr. Mascaro added the modifications have been made as outlined in the aircraft management services, per the request of the Chairman, to add and/or aircraft management and the brokerage remained the same.

Commissioner Mack made a motion to approve the proposed modification to the Airpark Minimum Operating Standards – Section 6-4, aircraft management services, and Section 6-5, charter brokerage services. Vice Chairman Vaughan seconded the motion and it passed by a vote of 6-0.

NOISE ISSUES

A. Item 9 - Information February 2003 Noise Report

Mr. Shirer advised the Noise Report was provided as a handout at this meeting and based on the Commission's direction at last month's meeting, and the discussion held at the first Commission Subcommittee on Noise Issues, the noise report is provided in a revised format. It is essentially the same, however, the list of complaints now only shows the local complaints. He added the local calls per person breakdown has also been provided and that information will continue to be revised as they get some of the computer programming refined. Mr. Shirer advised the Commission that four (4) pilot education letters were sent out; two for violation of the noise abatement procedures for turning out to the left when departing on Runway 21, and two for waking up the neighbors at night and we requested voluntary compliance with our curfew idea. Mr. Shirer added they attended the flight training workshop and the folks in the flight training industry endorsed the idea of the pilot pledge program. Noise abatement display boards were placed at Deer Valley, and Westwind and Pan Am Flight school academies. Westwind has since inquired on obtaining more display boards for all valley airports.

Commissioner Knudsen noted a question on helicopter operations. He saw there safety called out several times and would like an explanation of the departure procedure going north for helicopters.

Mr. Shirer explained the departure route for helicopters. He added there is a voluntary letter of agreement for helicopters for noise abatement.

Commissioner Vickers said in addition to copies of the letters Mr. Shirer sent out, he would like to have a list of the pilot briefings to see if there is any recurrent pattern of people who we are constantly having difficulty with. Mr. Shirer responded that the people they consistently have problems with will always be documented in writing and those will be provided monthly attachments to the noise report. The pilot briefings he referenced are pro-active measures on the part of pilots, typically calling in advance of their arrival or departure for information on noise sensitive areas or specific noise abatement procedures. Commissioner Vickers said he would still like to find out what is discussed and if he is going to take credit for pilot briefings, give the Commission an opportunity to find out what he's doing.

Chairman Maxwell noted a citizen, Mr. Luongo, wished to speak. Mr. Luongo said it is very misleading when it shows the complaints local, regional, and operations January to February because it makes no account for the fact there are 28 days in February and 31 days in January. Mr. Luongo said they should do daily averages. He said he noticed on page 3 it shows January and February numbers and March, and thought staff agreed not to reflect the month in process.

Mr. Shirer stated Mr. Luongo's comments would be noted for the record.

Commissioner Guilfoxy asked if the NW2000 didn't impact the Scottsdale traffic patterns at all. Mr. Shirer stated the Scottsdale Airport traffic patterns predominately within the five-mile radius were not changed. Approximately 15-20 miles away the arrival route from the north shifted slightly. Commissioner Guilfoxy reiterated - to be clear – Ironwood Village is not affected by NW 2000. Mr. Shirer stated they are waiting for radar data tracks to provide an historical comparison.

Mr. Gray said he wanted to take a moment to address Mr. Luongo's point regarding the number of days in the noise report. He requested them to turn back to page three of the noise report where they could see it goes back to 1988. They have never used number of days, it's month to month, and he disagrees with Mr. Luongo's statement that the information is inaccurate. The information is accurate. He added each person can determine the appropriateness of numbers in any way they would like to, however, they've

always presented the information by month, not by days, and the information will continue to be presented in that format, unless the Commission or subcommittee requests otherwise.

Mr. Gray added the other issue is if they would like to be consistent with the subcommittee the request Commissioner Vickers made about documenting the pilot briefings, staff would be happy to take it back to the subcommittee for discussion and determine how to incorporate the information.

Commissioner Vickers stated he is trying to find out if they can identify perpetrators of noise problems, unusual events during a specific timeframe, and what has been done about it. He added they have spent hundreds of thousands of dollars tracking phone calls of the individual complainers, yet they haven't spent any money in identifying the perpetrators of the problem. He added the people who are calling are not the cause of the problem – the cause of the problem are the pilots and the aircraft, and until they begin to focus on the problem, all the other tracking is absolutely moot. Commissioner Vickers stated what he is trying to get included in the report, is what is our staff doing, specifically identifying both aircraft and pilot – just take credit for that work, so they have a relationship of the complaints to what staff is doing.

Commissioner Knudsen stated he believes a lot of complaints are not justifiable just because there's a complaint does not mean it was a pilot's fault. A pilot is not necessarily guilty just because someone complains about it. He added it goes back to them needing an independent method of measuring whether or not it was the pilot, or if a person is being arbitrary in his noise complaints.

Chairman Maxwell said there is probably a lack of understanding by the public as to what NW2000 did or did not do. NW2000 did not change the flight pattern at the Scottsdale Airport.

Commissioner Vickers stated he is not saying just because there is a noise complaint a particular pilot is the cause, however the statement he is going to make is not directed to those pilots who perform their duties honorably and to professional standards, but the community has seen in the last 90-days that there are idiots in the skies above Scottsdale. He added they've seen one run out gas, one fly right into the mountain, another run into a building, and one taking off and hitting a power line. He added there are idiots in their skies and he is not addressing this to the professional pilots, and he respects the men who care about the community, and who obey the noise abatement program at the airport. However, he wants to put a stop, if there is anyway possible, to those idiots that ignore the noise rules, and the idiots who fly at levels that cause excessive and unnecessary noise. Commissioner Vickers stated he wants to get proactive on the other side of the coin and they cannot just blame it on the public lack of education.

Vice Chairman Vaughan said that until such a time that we have bona fide noise monitors in strategic places, Ironwood Village or wherever, and it actually registers in decibels the noise rather than have an individual judgment – what is loud to him, may not be loud to another person, or vice versa. Therefore, until they have concrete ways of measuring the noise, the rest of it is a matter of judgment and it proves nothing. Chairman Vaughan said he would recommend that they give serious thought to getting monitors as they have in other cities so they can determine exactly how much noise was made.

Mr. Gray said they have 12 pilot education and outreach projects, and they have 6 community education and outreach projects, so obviously their focus is on doing just what Commissioner Vickers said. They are trying to find those pilots that need the information. Mr. Gray added it is very difficult for staff to understand what the citizen saw or heard and even with noise monitoring systems, they will give you single event, and unfortunately that's not the tool used in the airport-world to determine noise impacts – it is DNL average noise level over 24 hours or year.

Mr. Gray said if there was no objection by the Commission at this time, staff would like to move forward with the pilot pledge and get it out to all their based and transient operators.

Vice Chairman Vaughan asked if commercial pilots were exempt from the pledge since there were only two categories on the pledge. Mr. Gray said one issue is are they a student pilot, what school they're

associated with, so if they need to spend more time with them they will be identified. Mr. Gray added it applies to everyone.

Commissioner Vickers asked what it would cost to put two monitors at Ironwood. Mr. Gray replied typically it would cost anywhere from \$750,000 to several million dollars for a permanent system depending on the equipment. A portable system used on a temporary basis would probably cost about \$15,000 per piece. Mr. Gray said they have already requested funding, which is also funded through the FAA for their noise program. Mr. Gray briefed the Commission on the capabilities and advantages versus disadvantages of the various systems.

Commissioner Vickers requested staff keep the Commission informed of the status of the FAA funding to get those systems. In addition, he questioned the single event and the average over time. Mr. Gray said they do not have single event as one of the tools to use under the federal process to determine noise impact. Commissioner Vickers questioned why staff cannot use single event measurement to identify the problem. Mr. Gray said there is no criteria to determine what is a single event noise event. Continuing discussion ensued at length regarding single event measurement versus averages.

Commissioner Guilfooy said they need to fine-tune the report summary page to get the results from their graphs relating to local aircraft type, complaint by type.

Mr. Gray said he wished to give the Commission an update on Naples Airport and the status of their Stage 2 ban. He stated on March 10th the FAA issued a Part 16 complaint, which basically concludes that the Stage 2 ban as currently implemented by Naples is unreasonable and unjustly discriminatory in violation of 49 USC, and grant assurance No. 22. They also concluded the Stage 2 ban was preempted by federal law. In addition the complaint states unless Naples rescinds or takes formal action to cease enforcement of the ban, the FAA withholds approval of any application submitted for grant funds. Mr. Gray stated he believes it will take the federal court process to bring it to a close one way or the other. Mr. Gray read several other portions of the complaint, which also stated the Naples 161 process was flawed, and they felt if they let this go through other airports would also follow an inappropriate process which would be detrimental to air transportation.

Commissioner Guilfooy inquired if there are any studies done to look at optimizing the airport traffic area from a revenue perspective with the necessary tradeoffs to be good neighbors. Mr. Gray said the issue is if they are going to make some changes having to do with access to the airport, whatever methodology, i.e., punitive bans, etc., you have go through the Part 161 process. Mr. Gray added it is not staff's intention to go out and try to increase operations. Their main focus is to address the citizen's concerns in any way they can. Additional discussion ensued with Commissioner Guilfooy regarding the situation that part of the City is actively seeking the business through the Convention and Visitors Bureau, and part of the City is focusing on other activities, and we are in the middle. Mr. Gray offered to contact Dave Roderique, the City's Economic Vitality director, and the Convention and Visitor's Bureau, if the Commission would like them to speak at a future meeting. The Commission was in agreement that they would like presentations from these people.

B. Item 10 - Information

Flight Tracking Systems Overview.

Mr. Shirer gave a PowerPoint presentation on the various types of Flight Tracking Systems and the associated capabilities and costs. He offered to answer any questions from the Commission regarding any of the information provided in the presentation, a copy of which was included in the Commission packets. Mr. Shirer stated this presentation would also be made to the City Council subcommittee.

Discussion took place regarding the FSDO and FAA role in handling complaints regarding low flying aircraft. Mr. Gray provided additional information regarding placement of flight tracking systems, and issues involved with changing technology and processes.

Mr. Gray stated whichever tool they choose would be primarily to identify the aircraft and the flight path taken. With some systems they would have the ability to pull the data into GIS and know specifically where it is in relationship to the noise caller, but it will not give them the information that could change from one house to another, which is the noise issue. They still have the issue of what is an unusual noise event and what is not.

Vice Chairman Vaughan wanted to clarify that he thought it would be very valuable to find out where they have legitimate areas of annoying noise and maybe where they have non-legitimate areas for in-house use.

OPERATIONS UPDATE

A. Item 11 - Information Review of Airport Operations

Mr. Gray said Mr. Chris Read would answer any questions regarding the February report. Commissioner Mack inquired what is their definition of a fuel spill. Mr. Read responded they typically respond to a fuel spill that's bigger than 5 feet in any direction and they are typically treated with absorbent and dispose of it properly.

Vice Chairman Vaughan inquired the about the "Don't Dump Your Sump" signage program. Mr. Shirer said the tenants of the Delta ramp could expect to see some additional signage in the future, as well as those on the Tango ramp.

MEETING SCHEDULE

A. Action Review/Modify Meeting Schedule

No changes, action taken on the meeting schedule.

PUBLIC COMMENT

There were no other cards submitted for public comment. Mr. Luongo said he wished to make a comment. Chairman Maxwell advised Mr. Luongo he had already made his public comment at the beginning of the meeting. Mr. Luongo stated a public comment is a public comment.

Mr. Gray advised Chairman Maxwell the way it works at the City Council is you get a card, you get to speak at either the beginning or the end of the meeting.

DIRECTOR'S REPORT

Mr. Gray referred the Commission to the printout of the website front page that was provided to the Commission this evening. He advised it is a new section that relates current events and issues we are dealing with.

ITEMS FROM THE COMMISSION

Chairman Maxwell noted there would be an Executive Session following this meeting.

Commissioner Knudsen asked if they were going to have an Air Fair or could they at least have an open house as his grandchildren liked coming out for that. Mr. Gray said he would look into it as part of the community outreach program.

Commissioner Knudsen stated this was his last meeting and he wanted to mention he enjoyed working with the group.

Mr. Luongo interrupted the meeting by stating to Chairman Maxwell that he would like to go on record that he's telling City Council that he would not let him speak at the end of the meeting and see what happens. He stated as a citizen of Scottsdale he has a right to speak. Chairman Maxwell responded that Mr. Luongo was given that right and that he spoke at the public comment. Mr. Luongo restated he would inform the City Council that Chairman Maxwell would not allow him to speak at the end of the meeting. Mr. Luongo stated, so much for citizen input.

Mr. Gray stated they have two presentations for their outgoing Commissioners. Commissioner Knudsen is recognized as having served the Commission for six years, including serving as Vice Chair and Chairman of the Commission. Vice Chairman Vaughan served for three years, and for the past three months as Vice Chairman.

Vice Chairman stated he have never been in a City that is more conscientious about its citizens, not just about airports, and airplanes, but it's citizenry. He added he's never seen an airport staff work harder and do more than this staff does here at Scottsdale Airport.

Vice Chairman Vaughan said he is still available for volunteer assistance if needed.

ADJOURNMENT

Commissioner Mack made a motion to adjourn the meeting. Vice Chairman Vaughan seconded the motion and the regular meeting was adjourned at 7:50 p.m.

EXECUTIVE SESSION

Commissioner Knudsen made a motion to enter Executive Session. Vice Chairman seconded the motion and the Commission went into Executive Session at 7:50 p.m.

Respectfully submitted,

Diana M. Maggiola
Administrative Secretary.